Previous references.
B 17-12 Sls: 1-2, 3 Nov 2, 1912.

File No. 13-14

1914-15.

Serial Nos. 1-2

(Banking)

Later references.
G.I.Fe. 39-1681 a 3,
B.Oct. 1916.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-2

Part B for June, 1915.

SUBJECT.

Amendment of Clause 3 of Rule 10 of the Insurance Rules re Calculation of Surrender Value.

Sl: 1 ~~Proposal~~ Forwards memorandum and requests sanction of Govt for the proposed Amendment of Rule 10 to suit Existing Conditions.

Sl: 2. Sanctions the amendment proposed and directs its publication in the Gazette.
Copy

G.R.S. 111 1914.

GENERAL AND REVENUE SECRETARIAT.

(Banking

NOTES.

File No. 13

FILE HEADING.

Amendment of clause 3 of Rule 10 of the Insurance Rules re calculation of surrender Value

rom

The Secretary, Insurance Committee

No. 623 Dated 4/9/14 Received 8.9.14

iary No. 994	Enclos. 1 file Spare Copies.	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Forwards memorandum on the above subject & requests sanction of Govt. for the proposed amendment of rule 10 to suit existing conditions.

NOTES AND ORDERS.

Clause III of Rule 10 as it stands states "If surrender the policy receives a surrender Value of 90% of the premiums paid by the applicant that ceases to be the case (in Insurance) without

General and Revenue Secretariat. | B File No. 13 of 1914.

Serial No.

interest

2) Kind attention is invited to para 16 of the Actuary's report about the proper method of calculating surrender values & his criticism of the existing method

3) The Actuary's suggestion was adopted by Govt in para 5 of G.O No 7221-2/B 40-13-2 dated 20-7-

4) The proposed amendment is to delete a portion of clause III of rule 10 & add a clause to suit the adoption of the new method of calculation.

5) The amendment is proposed to be given retrospective effect from the 20th July 14 - which is the date of the G.O sanctioning the adoption of the new method of calculation.

6) The amendment also provides for the surrender of the Reversionary Bonus certificates & getting corresponding value therefor.

D. No. 617

two important points.

(a) The last sentence of the amended rule as written in the draft is not to be a part of Clause III but a seperate sub para applying to clauses II & III.

This would have been abbarent if the summary of papers on the file containing my note of 25.7.14 had been carefully read.

(b) the table or any remarks for guiding the fair copist is not given at the end.

8) I have remedied the first defect. Asst Secy will kindly see to the second.

9) Every endeavour should be made by the section to give a good finish to the work turned out.

22/10

10).

(1) I am not quite sure that this rule refers to Clause II also. The Noti of Insurance Office dated 25.7.14 and the fair copy of the proposed Correction to the rules ~~Seem~~ Seem visibly that the last para refers only to Clause III. ~~and~~ Even now I ~~cannot~~ Sechaux am of the same opinion as the Insurance office and cannot conceive how this can apply to Clause II.

11) (2). Remarks for guiding the fair copyist are Entered as required.

(Seen) 12) The two drafts are submd. for abbrevn

24/11.

GPB—10,000—13.6.14

[R. S. 12]

General and Revenue Secretariat.

/B File No. /3 of 1914.

Serial No.

14) It is to be pointed out that after the Insurance papers are returned, the Secretariat file would contain only the covering letter of the Insurance office & would be thus incomplete - It should be better if a self contained letter had come from the Insurance office

Recd) 25/11

15) The notification has also to be approved 25/11

Recd)

16) Approved - [M/s will please see that the press does not make any fantastic errors in printing the notification -]

27/11

17) Subj with a tidy draft.

31/12/14 Always) 31/12

Approved - Please circulate & return for Srb & the Hon'ble Mr.

15-4-15

Recd) 23.4.15

C.S. ai 23/4

Approved 27/4

I concur

GPB—25,000—2-11-14

[G. R. S. 12]

General and Revenue Secretariat.

B File No. 13 of 1914.

Serial No.	
	4 Draft—Submission note is p Peter) Dewan X

Submitted to His Highness.

In paragraph 5 of Government Order No.Fl.221 B.40-13-2 dated 20th July 1914 Government sanctioned adoption of the revised method of calculating surrend values for policies in the State Life Insurance Schem suggested in the latest Actuarial Report.

In consequence of this, rule 10 of the Mysc State Life Insurance Rules requires to be amended ar the Insurance Committee has sent up proposals therefc which have been agreed to by the other Members of Cou cil and myself. A draft order and notification are submitted accordingly, which may be graciously approve

27/5/15

H. Manjunadayya

Record of Cases submitted for the Orde
of His Highness the Maharaja

Subject.

Amendment of Rule 10 of the Insurance Rules relating to the calculation of surrender value.

24 *Order.*

~~KRW~~

31/5/15

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Subs

25 In the table of Single premiums attached to the draft order the figure ·27257 against age 26 is apparently an error carried on from the work of the Actuary. The Actuary has been written to in the matter by the Insurance office by this mail.

Meanwhile orders in the present file need not perhaps be deferred as the mistake is trivial & may be corrected in the Press proofs to be read later.

11/4 Abst

25 Feb Subs for information

I was considered by the Insurance Office that we have the acquiescence of the Actuary they caused and alter the figure - It showed a tendency below with ✠ 4 instead of 6

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

This note their King That
a reply be got from
the Actuary before the
file came back with
H.H.'s orders. Now that
the file has come back
with orders + the
actuary's report has
not been received. If
approved in the draft
notification '2' will
be altered into '4' & the
order & notifn issued
any further correction
found be necessary
after getting the reply
from the Actuary it
may be effected later
by means of an Add
Slip
essen)

he
4/6

M/H
27/June draft he

G. R. S. 12]

General and Revenue Secretariat.

B File No. 13 of 1914

Serial No.

To the Secretary Government
No H 7323 dt 9-6-17.
Please
forward 4 copies of notification
when in the Gazette.

No H 7324 dt 9-6-17
Compiler Gazette
Notification accordingly

OFFICE OF THE SECRETARY,
MYSORE STATE LIFE INSURANCE COMMITTEE,

Bangalore, dated 4th September 1914.

7 DIARY No 994

FROM

Dewan Bahadur
J. S. CHAKRAVARTI, ESQ., M.A., F.R.A.S., etc.,
Secretary, Mysore State Life Insurance Com

To

The Financial Secretary
to the Government of His Highness
the Maharaja of Mysore, Bangalore.

SIR,

I have the honor to forward herewith Memorandum dated 20th August 1914, for reference and obliging return when done with and request you to be so good as to obtain the sanction of the Government the amendment of Clause III of Rule 10, therein proposed.

I have the honor to be,
Sir,
Your most obedient servant,

Secretary.

AK-4-9.

They need not have
brought the Committee
as the principle of the
Amendments were
accepted by the Commn
when they recommend
the change in the
method of payment
of the Surrendered Val

HG
1/9/19.

INSURANCE.

Paragraph 5 of Government Order No: Fl:221-2/B.40-13-2 dated 20t July 1914, sanctioning the adoption of the method of calculating the Surrender Value explained in Paragraph 16 of the Actuary's Report mal the third alternative in Rule 10 of the Insurance Rules nugatory fron 20th July 1914, on which date the Government Order comes into force. Clause III of Rule 10 would therefore require to be amended in confor mity with the above Government Order and the following is submitted i approval and submission for formal sanction of Government.

In Clause III of Rule 10, omit the words "of 60 per cent &c, to interest", and in their place insert the following.

"which shall be the product of the amount of a paid-up policy as calculated in the foregoing Clause II and the single premium factor f the age attained by the proposer at the time according to the Table a pended to these Rules"

"If in addition to the original policy, the Reversionary bonus certificate, if any, is also surrendered it will be taken into accoun in calculating the amount of the paid-up policy or surrender value as the case may be."

The amendment may be ordered to have effect from the 20th July 1914, on which date the present Clause III of Rule 10, has become in. effectual.

Bangalore,
20th August 1914.

Asstt: Secretary

20/8/14

2. I beg to submit for your kind further Consideration whether it is necessary to insert the Single prem. table in the amendment of clause III of Rule 10.

If it is considered that the insured will not be able to understand as to what is meant by "Single premium", then instead of using these words we insert the following which will be sufficient to make matters clear.

"that fraction of prem. which at the then attained age of the insured will be sufficient to provide for payment to him of Re 1, on his attaining his 55½ years or earlier death" 13.7.14.

INSURANCE.

Paragraph 5 of Government Order No: Fl:221-2/B.40-13-2 dated 20 July 1914, sanctioning the adoption of the method of calculating the Surrender Value explained in Paragraph 16 of the Actuary's Report makes the third alternative in Rule 10 of the Insurance Rules nugatory from 20th July 1914, on which date the Government Order comes into force. Clause III of Rule 10 would therefore require to be amended in conformity with the above Government Order and the following is submitted for approval and submission for formal sanction of Government.

In Clause III of Rule 10, omit the words "of 60 per cent &c, to interest", and in their place insert the following.

"which shall be the product of the amount of a paid-up policy as calculated in the foregoing Clause II and the single premium factor for the age attained by the proposer at the time, as given in Appendix I. ~~in accordance with the Table given~~ If in addition to the original policy, the Reversionary bonus ~~addition~~ Certificate, if any, is also surrendered ~~the then present value of such Reversionary additions~~ it will be taken into account in calculating the amount ~~to be~~ paid up policy ~~calculated as above~~ ~~bonus shall also be paid.~~ or surrender value as the case may be. [Here insert the Table.]

The amendment may be ordered to have effect from the 20th July 1914, on which date the present Clause III of Rule 10, has become in effectual.

Asstt: Secretary.

Bangalore,
23rd July 1914.

23.7.14

I would have the table printed in an appendix - not in the body of the rules. In other respects I agree but the last sentence should come as a separate subpara as it applies not only to III but to ~~III~~ as well.

23/7

Please see next page.

91

Sir,

With reference to the Secretary's observation on the preceding page, I beg to submit that the last sentence in the proposed amendment does not apply to the provision in clause II of Rule 10. It will apply only to Clause III.

The reversionary bonus is the insured's share of the profits payable to him at his 55th year or earlier death and it need only be surrendered for its present value. The Reversionary Bonus can be surrendered only when application for a paid up policy is made.

I have made a fresh memorandum containing the proposed amendment and if you find it alright, I shall submit it to the Secy: for approval.

For the fresh memorandum please see over leaf.

28.7.14

Proceedings of the Government of His Highness the Maharaja of Mysore

---:o.O.o:---

R e a d:-

Letter No: 1913, dated 16/17th February 1914, from the Secretary, Insurance Committee, submitting for orders the Report of the Actuary on the finances of the Mysore State Life Insurance Fund as it stood on the 30th June 1912, together with the resolution of the Insurance Committee.

Extract from the Proceedings of the meeting of the Mysore State Life Insurance Committee, held on Saturday the 31st January 1914.

---:o.O.o:---

R E S O L U T I O N-II.

Read the Actuary's Report for the quinquennium ending -- 30th June 1912. The Actuary may be thanked for his interesting report. It is resolved that the report be submitted to Government for orders with the following recommendation.

(a) The suggestion made in paragraph 10 of the report cannot be carried out as the policies, the premiums due on which are treated as a debt under Rule 10, cannot be legally cancelled unless the premium due with compound interest equals the bonus assured.

(b) The suggestion contained in paragraph II,--Distribution of Surplus -- may be sanctioned by the Government, the distribution being made in proportion to the exact number of premiums paid.

(c) Further bonus additions to policies which mature during the quinquennium beginning 1st July 1912, referred to in paragraph 14, need not be made in anticipation of the nexi valuation.

(d) The alterations in bonus suggested in paragraph 15 of the report being comparatively small and in the opinion oi the Actuary, no strong objection could be made against retai ing the present rates, the latter may continue.

(e) When a paid up policy and a surrender value is mad alternatives, either of which may be taken, the two should b equivalent. At present the surrender value being fixed at 6(per cent, this is not the case. We may say that either a pai up policy or its surrender value calculated as explained in this paragraph-16-will be given.

---oOo---

ORDER THEREON NO: Fl:221-2/B.40-13-2 DATED, Bangalore 20-7-14

On the recommendation of the Insurance Committee, Mr. mas Gans Ackland, F.I.A., Honry. F.F.A., Actuarial Adviser to Board of Trade, England, was appointed to carry out the valua- n of the State Life Insurance Fund for the quinquennium ending h June 1912.

2. The Report submitted by the Actuary is exhaustive and -- eresting and from the high position Mr. Ackland occupies full c ence may be placed in his report and valuations.

3. After a careful examination conducted on up to date -- hods, he considers the Fund sound and well managed, and states t the valuation discloses a surplus of over 5 lakhs, as against lakh and odd at the end of previous quinquennium.

4. The Actuary further suggests that out of this surplu: reversionary addition of 1 per cent. may be made to every poli(force on the 30th June 1912, for every year for which premium l been paid. The Insurance Committee recommend this proposal fo: sanction and also accept the Actuary's suggestion that the inc: ments may be calculated in proportion to the exact number of p: miums paid up to 30th June 1912. This would absorb about 4 la] the surplus and the balance left provides in the opinions of tl Actuary ample security for the future.

5. Government are pleased to approve of the above recomm ations and direct the distribution of the surplus as proposed l Actuary. His suggestion in respect to the calculation of surr(values on policies accepted by the Committee is also approved.

6. Government desire to place on record their appreciati of the work done by the Actuary and their satisfaction that the is financially in a sound condition.

(S/d). J. S. Chakravarti,
Financial Secretary to Government

To

The Secretary, Insurance Committee, returning enclosures.
" Comptroller to Government.

"COPY"

AK.

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS

THE MAHARAJA OF MYSORE.

----:0:----

Read--

Letter No.623 dated the 4/7th September 1914 from the Secretary, State Life Insurance Committee, forwarding a Memorand on the subject of suitably amending Rule 10 of the State Life In surance Rules in conformity with the new method of calculating - surrender value recommended in para 16 of the recent actuarial - report and approved in Government order No.Fl.221-2/B.40-13-2 dated the 20th July 1914, and requesting sanction to the draft amendment of the rule in question.

-----:o:000:o:-----

Order thereon--No. Fb 7323 / B 13-14-2

Dated the 9th June 1915.

The amendment to Rule 10 of the Insurance Rules proposed by the Secretary, Insurance Committee, is approved and a Notific tion will accordingly be published in the Gazette.

2. Clause III of Rule 10 as amended will read as follows:-

"To surrender the policy receiving a surrender valu which shall be the product of the amount of a paid-up pol as calculated in the foregoing clause II and the single - premium factor for the age attained by the proposer at th time according to the table appended to these Rules.

3. There will be a sub-para after Clause III as follows:-

If, in addition to the original policy, the Reversionary bonus certificates, if any, are also surrendered, they wil be taken into account in calculating the amount of the -

the paid-up policy or surrender value as the case may be.

The amendment will take effect from the 20th July 1914

The table of single premiums to be adopted will be as follows:-

Age.	Single premium	Age	Age	Single Premium	A
20	.40891	20	40	.66673	4
21	.41883	21	41	.68384	4
22	.42902	22	42	.70150	4
23	.43947	23	43	.71973	4
24	.45020	24	44	.73858	4
25	.46122	25	45	.75809	4
26	.47251	26	46	.77827	4
27	.48411	27	47	.79918	4
28	.49600	28	48	.82087	4
29	.50820	29	49	.84339	4
30	.52072	30	50	.86680	5
31	.53357	31	51	.89116	5
32	.54676	32	52	.91657	5
33	.56032	33	53	.94310	5
34	.57424	34	54	.97087	5
35	.58855	35			
36	.60329	36			
37	.61845	37			
38	.63405	38			
39	.65014	39			

Note:- Rated-up cases must be taken at their true age in usi this table.

Financial Secretary to Government

To

The Secretary, Insurance Committee, returning enclosures.

GKV.2

Notification. No 307324

The Government of His Highness the Maharaja of Mysore are pleased to sanc the following amendations to Rule 10 o the Insurance Rules.

The present clause III will be del and the following substituted for it:-

To surrender the policy receiv a surrender value which shall be the duct of the amount of a paid-up poli as calculated in the foregoing claus and the single premium factor for th age attained by the proposer at the according to the table appended to t rules."

The following sub-para will appe after Rule 10 Clause III:-

" If in addition to the origi policy, the Reversionary Bonus certi cates, if any, are also surrendered,

they will be taken into account in cal-

culating the amount of the paid-up

policy or surrender value as the case m

be.

The following table of single premiu

will appear as an appendix to the Insur

Rules:-

Age.	Single Premium.	Age	Age	Single Premium	Age
20	.40891	20	40	.66673	40
21	.41883	21	41	.68384	41
22	.42902	22	42	.70150	42
23	.43947	23	43	.71973	43
24	.45020	24	44	.73858	44
25	.46122	25	45	.75809	45
26	.47251	26	46	.77827	46
27	.48411	27	47	.79918	47
28	.49600	28	48	.82087	48
29	.50820	29	49	.84339	49
30	.52072	30	50	.86680	50
31	.53357	31	51	.89116	51
32	.54676	32	52	.91657	52
33	.56032	33	53	.94310	53
34	.57424	34	54	.97087	54
35	.58855	35			
36	.60329	36			
37	.61845	37			
38	.63405	38			
39	.65014	39			

Note:- Rated-up cases must be taken at their true age in using this table.

By Order

To

for Financial Secretary to Governme

The Compiler, Mysore Gazette.

K.N.N.2.

G.R.S. 26]

Serial No.

*Diary No. of letter replied to*_____

General and Revenue Secretariat.

( )

, the 19 .

Date of issue_____

Signed by_____

Notification

The Govt of H H the
Maharaja of Cochin
are pleased to direct
the following amendments
to the Clause III of the
of the Insurance
be amended as
The present clause III will be
deleted and the following substituted
it -
"To surrender the
policy securing a
surrender value
which shall be the
product of the amo
of a paid up policy
as calculated in

over.

the foregoing Clause 11.
and the single premium
factor for the age
attained by the proposer
at the time according
to the Table appended
to these rules. It is
additional to the original
policy the Reversionary
Bonus certificates
if any, are also surrender
& they will be taken into
account in calculating
the amounts of the
paid up policy or
surrender value as the
case may be

The following table single pre with AM

B O

[illegible] 27

financial sec

BS
21.10.44

To

The Compiler
Gujarat Gazette